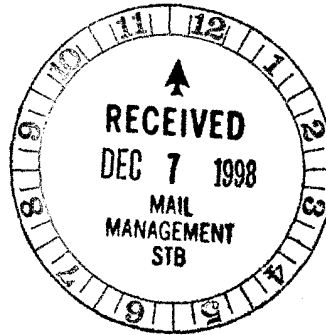


**THE
GREENBRIER
COMPANIES**

The Greenbrier Companies, Inc.

One Centerpointe Drive Suite 200
Lake Oswego Oregon 97035
503 684 7000 Fax 503 684 7553

December 1, 1998



RECORDATION NO. 21316-H FILED

DEC 7 '98

1-26 PM

DEC 7 1 26 PM '98

RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301 are three (3) original copies and two (2) photocopies of Amendment dated October 23, 1998 to Rider No. 2 Dated as of February 20, 1998 to Memorandum of Lease Agreement dated as of November 19, 1997, a secondary document as defined in the Rules for the Recordation of Documents, 49 C.F.R. Section 1177.

This document relates to the Memorandum of Lease Agreement dated as of November 19, 1997, which was duly filed and recorded on April 6, 1998 and assigned Recordation Number 21316.

The names and addresses of the parties to the enclosed document are:

LESSOR: Greenbrier Leasing Corporation
One Centerpointe Drive, Suite 200
Lake Oswego, Oregon 97035

LESSEE: Minnesota, Dakota & Western Railway Company
101 Second Street
International Falls, MN 58649

A description of the railroad equipment covered by the enclosed document is:

Fifty (50) 73-foot center partition flatcars marked and numbered as follows:

IBT 22000 through IBT 22049, inclusive.

Mr. Vernon A. Williams
December 1, 1998
Page 2

Also enclosed is a payment of \$26 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document not needed for your files to the undersigned.

A short summary of the enclosed secondary document to appear in the Commission's Index is:

Amendment Dated October 23, 1998 to Rider No. 2 Dated February 20, 1998 to that certain Lease Agreement dated as of November 19, 1997 covering fifty (50) 73-foot center partition flatcars marked and numbered IBT 22000 through IBT 22049, inclusive.

Sincerely,

A handwritten signature in cursive script that reads "Janet E. Johnston".

Janet E. Johnston
Assistant to the
Executive Vice President

jej
Enclosure

cc: Robert W. Alvord, Esq.

RECORDATION NO. 21316-H FILED

DEC 7 '98

1-26PM

AMENDMENT DATED OCTOBER 23, 1998

TO

MEMORANDUM OF LEASE

BETWEEN

GREENBRIER LEASING CORPORATION ("LESSOR")

AND

MINNESOTA, DAKOTA & WESTERN RAILWAY COMPANY ("LESSEE")

NOVEMBER 19, 1997

RIDER NO. 2 DATED AS OF FEBRUARY 20, 1998

Amendment dated as of October 23, 1998 to MEMORANDUM OF LEASE made and entered into in relation to Rider No. 2 dated February 20, 1998, to the Lease Agreement entered into November 19, 1997 by and between GREENBRIER LEASING CORPORATION, a Delaware corporation ("Lessor") and MINNESOTA, DAKOTA & WESTERN RAILWAY COMPANY, a Minnesota corporation ("Lessee") (the "Lease Memorandum").

WHEREAS, Lessor and Lessee entered into the Lease Memorandum describing the lease of one hundred fifty (150) 73-foot center partition flatcars with new car marks and numbers IBT 22000 through IBT 22149, inclusive; and

WHEREAS, Lessor and Lessee wish to amend the Lease Memorandum to conform to an amendment to the underlying Rider No. 2 (the "Rider"), by reducing the number of cars subject to the Rider;

NOW THEREFORE, Lessor and Lessee hereby amend the Lease Memorandum as follows:

1. Delete Paragraph 1 in its entirety and add a new Paragraph 1 as follows:

"1. Lessor has agreed to furnish to Lessee, and the Lessee has agreed to lease from Lessor fifty (50) 73-foot center partition flatcars marked and numbered as follows:

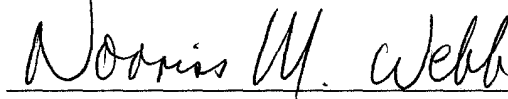
IBT 22000 through IBT 22049, inclusive"

2. All other terms and conditions of the Lease Memorandum not specifically amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date first above written.

GREENBRIER LEASING CORPORATION

BY:



TITLE: Executive Vice President

MINNESOTA, DAKOTA & WESTERN RAILWAY COMPANY

BY:



TITLE: VICE PRESIDENT

STATE OF OREGON

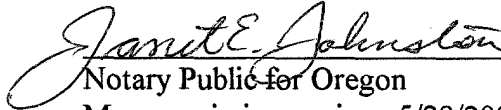
)

) ss.

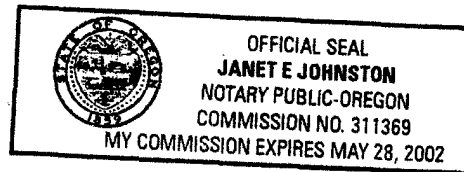
County of Clackamas

)

On this 18th day of November, 1998, before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that he is the Executive Vice President of Greenbrier Leasing Corporation that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.


Notary Public for Oregon

My commission expires: 5/28/2002



STATE OF IDAHO

) ss.

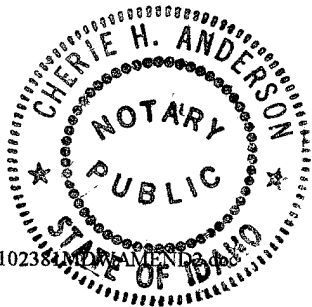
County of ADA

On this 12th day of November, 1998, before me personally appeared Karen E. Gowland to me personally known, who being by me duly sworn, says that she is the Vice President of MINNESOTA, DAKOTA & WESTERN RAILWAY COMPANY, that the foregoing instrument was signed on behalf of said corporation, and she acknowledged that the execution of the said instrument was ~~his~~ ^{her} free act and deed.



Notary Public for Idaho

My commission expires 8/5/2003



LEASE 98\102384\INSTRUMENTS\348